

FIRST AFFIRMATIVE DEFENSE

24. Bedrock denies all allegations contained in Paragraph 24 of PayPal's First Affirmative Defense.

SECOND AFFIRMATIVE DEFENSE

25. Bedrock denies all allegations contained in Paragraph 25 of PayPal's Second Affirmative Defense.

THIRD AFFIRMATIVE DEFENSE

26. Bedrock denies all allegations contained in Paragraph 26 of PayPal's Third Affirmative Defense.

FOURTH AFFIRMATIVE DEFENSE

27. Bedrock denies all allegations contained in Paragraph 27 of PayPal's Fourth Affirmative Defense.

FIFTH AFFIRMATIVE DEFENSE

28. Bedrock denies all allegations contained in Paragraph 28 of PayPal's Fifth Affirmative Defense.

SIXTH AFFIRMATIVE DEFENSE

29. Bedrock denies all allegations contained in Paragraph 29 of PayPal's Sixth Affirmative Defense.

SEVENTH AFFIRMATIVE DEFENSE

30. Bedrock denies all allegations contained in Paragraph 30 of PayPal's Seventh Affirmative Defense.

EIGHTH AFFIRMATIVE DEFENSE

31. Bedrock denies all allegations contained in Paragraph 31 of PayPal's Eighth Affirmative Defense.

NINTH AFFIRMATIVE DEFENSE

32. Bedrock denies all allegations contained in Paragraph 32 of PayPal's Ninth Affirmative Defense.

TENTH AFFIRMATIVE DEFENSE

33. Bedrock denies all allegations contained in Paragraph 33 of PayPal's Tenth Affirmative Defense.

ELEVENTH AFFIRMATIVE DEFENSE

34. Bedrock denies all allegations contained in Paragraph 34 of PayPal's Eleventh Affirmative Defense.

TWELFTH AFFIRMATIVE DEFENSE

35. Bedrock denies all allegations contained in Paragraph 35 of PayPal's Twelfth Affirmative Defense.

RESPONSE TO COUNTERCLAIMS

PARTIES

1. Bedrock admits the allegations contained in Paragraph 1 of PayPal's Counterclaims.

2. Bedrock admits the allegations contained in Paragraph 2 of PayPal's Counterclaims.

JURISDICTION AND VENUE

3. Bedrock admits that this Court has subject matter jurisdiction as alleged in Paragraph 3 of PayPal's Counterclaims. Bedrock admits that an actual and justiciable controversy exists between Bedrock and PayPal with respect to the validity and infringement of the '120 patent, but denies that PayPal is entitled to any relief requested.

4. Bedrock admits the allegations of Paragraph 4 of PayPal's Counterclaims.

5. Bedrock admits the allegations of Paragraph 5 of PayPal's Counterclaims.

DECLARATORY RELIEF CLAIM

6. Bedrock repeats and realleges each of the allegations contained in Paragraphs 1-5 as if fully set forth herein.

7. Bedrock admits the allegations of Paragraph 7 of PayPal's Declaratory Relief Claim.

8. Bedrock denies the allegations of Paragraph 8 of PayPal's Declaratory Relief Claim.

9. Bedrock denies the allegations of Paragraph 9 of PayPal's Declaratory Relief Claim.

PRAYER FOR RELIEF

Bedrock incorporates by reference the Prayer for Relief set forth in Bedrock's Complaint for Patent Infringement. Bedrock denies that PayPal is entitled to any relief.

DEMAND FOR JURY TRIAL

Bedrock hereby demands that all issues be determined by jury.

DATED: October 1, 2009

Respectfully submitted,

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ATTORNEYS FOR PLAINTIFF
BEDROCK **COMPUTER**
TECHNOLOGIES

CERTIFICATE OF SERVICE

The undersigned certifies that the foregoing document was filed electronically in compliance with Local Rule CV-5(a). As such, this document was served on all counsel who have consented to electronic service on this, the 1st day of October, 2009. Local Rule CV-53(a)(3)(A).

/s/ Austin Curry
Austin Curry